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ENCLOSURE 13



State of Wisconsin
Department of Workforce Development
Jim Doyle, Governor
Roberta Gassman, Secretary

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SOUTHWEST WISCONSIN
WORKFORCE DEVELOPMENT BOARD, INC.

November 2, 2009

Dr. Robert T. Borremans, Executive Director
Southwest Wisconsin Workforce Development Board
1370 N. Water Street
Platteville, WI 53813

Dear Dr. Borremans:

I would like to thank you and your staff for your cooperation and assistance shown to the Division of Employment and Training staff during monitoring of the American Recovery and Reinvestment Act (ARRA) summer 2009 youth work experience program. The Department of Labor/Employment and Training Administration strongly encouraged states and local areas to apply various principles in implementing their American Recovery and Reinvestment Act (ARRA) programs. These principles included expedited and effective use of the funds, transparency, and accountability. To ensure this occurred, DWD required local areas to submit bi-weekly summer youth program statistics, participate in conference calls, enter participant information in ASSET, enter financial information in CORE, meet expenditure rates, and participate in onsite monitoring. Your participation in these activities allowed us to meet these principles.

Attached is the Division of Employment and Training (DET) monitoring report for the Southwest Wisconsin Workforce Development Area's (WDA) summer youth program. The report reflects conditions that existed at the close of our review and may not reflect subsequent changes in your WDA. One Finding and five Observations were identified as a result of the review. You are required to respond to the Finding within 30 days of the date of this letter. You are not required to respond to the Observations unless your WDB intends to make a change or follow DET's recommendation. If you believe the monitoring report contains any factual inaccuracies, please include this in your response also. Your response should be sent to your Local Program Liaison, Karen Pfeil.

Monitoring of your Workforce Investment Act (WIA) and ARRA Adult, Dislocated Worker, and year round Youth Programs will be conducted sometime during the first quarter of 2010. You will receive information regarding this, including the monitoring guides, in the future.

Please contact Karen Pfeil at (608) 266-9663 if you have questions or need assistance.

Sincerely,

Roberta Gassman
Secretary

Enclosure

cc: Scott Stocker, WDB Chair
Art Carter, Chief Local Elected Official

EXECUTIVE SUMMARY – Southwest Wisconsin WDB

The American Recovery and Reinvestment Act (ARRA) onsite monitoring is an important activity in the overall management of these funds. Through this review, which specifically focused on the summer youth program, the Division of Employment and Training (DET) reviewed the grantee's and providers' compliance with relevant federal and state laws and regulations; identified administrative or program areas that needed attention; assessed the quality of services provided with these funds; and noted any technical assistance needs and model programs in the Workforce Development Area (WDA). The monitoring process consisted of a desk review; entrance conference; interviews with workforce development board staff, worksite supervisors, and summer work experience youth; participant file reviews; an exit conference; and issuance of this monitoring report.

On July 27-30, 2009, DET staff conducted a review of the ARRA programs operating in the Southwest Wisconsin WDA. The exit conference was conducted on July 30, 2009. Issues identified during the onsite review are described in the *Workforce Development Board PY 2008 ARRA Monitoring Report*. The following terms are used depending on the nature and seriousness of the issue and the response required of the WDB:

A Finding is an identification of a specific federal or state policy or procedure with which the agency has failed to comply, and is significant enough to require action. Findings are followed by Required Actions to be taken by the WDB. A date is provided by which action or a written response by the WDB is expected.

Observations are defined as areas needing improvement in administrative or management practices that do not represent instances of non-compliance, but if not addressed, could become compliance problems in the future. Observations are followed by Recommendations which are suggested action steps for the WDB's consideration that in DET's opinion would improve the program or practice. The WDB is not required to adopt DET's specific recommendation. However, if you intend to make a change or follow DET's recommendation, please provide a response to the Observation.

Comments may be used to highlight positive aspects of programs or to identify areas needing improvement in administrative or management practices unrelated to compliance, but if corrected could improve efficiency or effectiveness. The WDB is not required to provide any response to Comments.

**Southwest Wisconsin
Workforce Development Board PY 2008 ARRA Monitoring Report**

Youth Participation Numbers

# of Planned Enrollments	# of Actual Enrollments	Percent of Planned Enrollments	ARRA Youth Program Allocation	Actual Expenditures thru September 30*	Percent of Youth Funds Spent
150	146	97%	\$541,211	\$201,619	37%

*Per WIA and Related Programs: FSR Expenditures through September 2009

Comment: The WDB achieved 97% of their planned enrollments in the summer program. They planned to meet the requirement that at least 70% of their youth allocation would be spent by September 30, 2009. Summer expenditures are still being reported in DWD's financial accounting system so this percentage will increase further.

Worksites Visited

Name of Worksite (Type of Business)	Number of Supervisors Interviewed	Number of Youth Interviewed
Benton Schools (public/non-profit)	1	1
City of Shullsburg (public/non-profit)	1	3
Sand Prairie Construction (private/for-profit)	0	1
Timmerman's Talents - Renewable Energy (private/for-profit)	1	2
Southwest Wisconsin Workforce Development Board (public/non-profit)	1	1
Rock County Job Center (public/non-profit)	1	1
Plahn's (private/for-profit)	1	1
Java Joys (private/for-profit)	1	1
Kandu Industries (private/non-profit)	1	2
Beneficial Insulation Solutions (private/for-profit)	1	1
Kolach Center (private/non-profit)	1	1

Outreach and Recruitment for Finding Worksites and Youth

Comment: Employers interested in providing a work experience for youth were required to submit an application to the WDB. The Youth Council determined that priority for summer youth enrollment would be given to youth already being served by WIA programming. Relationships were also established with community based organizations such as the Community Action Program. Staff also contacted high school guidance counselors, and sent personalized letters to all Probation and Parole Officers and local veterans' staff.

Orientation Process for Worksite Supervisors and Youth

Comment: Orientation sessions for supervisors were conducted one-on-one or at the local Job Center for worksites with multiple participants and supervisors. The orientation for youth was delivered as part of the two-day work readiness training which was mandatory for all participants. All youth and supervisors received a handbook which included topics such as: roles and responsibilities, child labor laws, safety and health at the workplace, and payroll procedures.

Worksite Agreement/Job Description/Training Plan

Observation #1 – The Worksite Agreement is missing two assurances. The missing assurances are:

- No officer, employee, or other agent of the employer shall recommend hiring, decide hiring, establish salary/wage rate, or provide preferential supervisory treatment with respect to a trainee who is a member of the officer's, employee's or agent's immediate family.
- While it might be implied in the agreement, the provision of Worker's Compensation or other insurance coverage for work-related injury or illness of participants by the WDB and/or service provider is not specifically mentioned.

Recommendation: The WDB should review and update their Work/Training Site Agreement to ensure all applicable assurances are included. The Workforce Programs Guide (page 1-25) provides further guidance regarding worksite agreements.

Observation #2: Most Worksite Agreements contained only a very brief job description. For example, the job description for Miron Construction stated "general construction activities." In addition, the Worksite Agreement did not contain a training plan. The Workforce Programs Guide states that all worksite agreements shall include: (1) a clearly written job description and (2) a training plan, which should identify specific skills to be learned, method of teaching them, who is responsible for teaching, and how skill acquisition will be evaluated.

Recommendation: The WDB and/or service providers should update their work experience agreements to include a complete job description and training plan. The Local Program Liaison will provide WDB staff with some examples of work experience agreements and job descriptions/training plans.

DWD Worksite Reviews

Comment: Division of Employment and Training staff visited eleven worksites in the WDA, and interviewed ten supervisors and fifteen youth. Youth were placed in worksites that best matched their interests and their available transportation. Youth were receiving positive feedback from their employers who were impressed with their productivity and the interest the participants demonstrated during the program.

The WDB had an appropriate process in place to ensure that the work experience increased the participant's work readiness skills and did not impact the profit margin of a for-profit company. All worksites were developed and accepted based on the career interests of the participants. Worksites were matched to the participant rather than matching participants to sites, which ensured that no private sector employer was favored over another.

It appeared that all youth and supervisors attended an orientation session. All youth were adequately supervised, and adequate time and attendance records were in place. Supervisors and youth were aware of and following appropriate safety precautions and applicable child labor laws.

Training – Adult Basic Education, GED or HSED, Work Readiness Certification

Comment: A mandatory work readiness training session was required for all summer youth participants, which had to be completed prior to the work experience component. All youth took the Department of Public Instruction's Work Readiness test to document attainment of the work readiness performance measure. Topics covered in the session included: completion of Job Fit assessment, diversity in the workplace, conflict resolution, teamwork, career pathways, work etiquette, and customer service. Upon completion of the session and the Job Fit assessment, youth received a \$250 stipend.

Payroll/Timekeeping System

Comment: Youth had to record their work time on a daily basis. Every two weeks both the supervisor and youth reviewed and signed the timesheet. Timesheets were then sent to the WDB for processing. The WDB required all youth to receive their paychecks via direct deposit; thus, if the youth did not already have a bank account, they were assisted in opening an account.

File Reviews/ASSET Entry

Comment: The review of the summer youth program included an examination of participant case files and a review of records in the ASSET reporting system. Twenty-one participant files were reviewed. All files were well-organized and contained complete, detailed information. Work readiness goals were well-written and correctly entered in ASSET.

Finding #1: The file for PIN 1197959 (Paluch) did not contain documentation of Selective Service registration. The Selective Service law requires that all males register within 30 days of their 18th birthday. WIA (section 189(h)) specifies that each individual participating in any program or activity, or receiving any assistance or benefit, has not violated section 3 of the Military Selective Service Act. The Selective Service registration requirements were further clarified in WIA Policy Update 08-06: Selective Service Registration. This policy states that male applicants who have not registered must complete their military Selective Service registration prior to receiving WIA services. This participant's birthday was May 24, 1991; he was registered in the ARRA program on June 15, 2009; and, according to Selective Service records he was registered on August 17, 2009.

Required Action: The funds spent on work experience wages must be reimbursed to the program with non-federal funds. Within 30 days of this report, provide documentation to DET that these costs were charged to non-federal funding. In addition, the WDB should take actions as needed (e.g., training, technical assistance and additional monitoring) to ensure case managers are adhering to WIA Policy Update 08-06.

Observation #3: The following are areas in which deficiencies in participant case files were observed:

- PINs 1197615, 1197621, 1154893, and 1163414 - If a youth is disabled, their family size is 1 and the family's income does not have to be collected
- PIN 1196278 – discrepancy between application and ASSET (Manage Programs/first tab) regarding education status. First tab = high school graduate, while the youth tab = dropout. Information in the file indicates basic skills deficiency while ASSET indicates no deficiency in basic skills

Recommendation: In all cases, the issues should be reviewed with staff responsible for case management and processes put into place to ensure all records are complete and accurate.

Observation #4: The Household Income Verification form used by the CESA #2 service provider does not collect adequate information to document family income. The document only requests the participant to verify that their family income is below a certain amount.

Recommendation: The WDB should provide guidance to service providers to ensure the various forms used to document program eligibility are adequate. The Local Program Liaison will provide sample forms to the WDB staff.

WDB Monitoring Process of Worksites

Comment: The WDB required each service provider to visit each worksite once every two weeks, and each participant was required to speak with their case manager at least bi-weekly during the work experience. WDB staff also conducted informal, unannounced monitoring visits of each worksite.

ARRA Branding

Observation #5: Usage of the ARRA symbol and giving credit to ARRA and DWD for funding was limited since most of the publications and promotional materials related to the program were completed before the Administrator's Memo Series 09-01 and 09-02 were published by DWD. However, the symbol was on the t-shirts given to the Community Action Program participants.

Recommendation: Whenever special funding such as this is offered, DWD expects the WDB to ensure appropriate branding and credit are given to partners and funding sources. Future reports, materials, and documents should contain the appropriate symbol and credit for funding.

Best Practices

Many of the youth were placed in the construction field and wherever possible were exposed to "green" concepts and ideals.

The WDB required direct deposit for the youths' paychecks. For those youth who did not already have an account, this requirement provided financial literacy training.

WDB staff was invited to participate in various radio talk shows to highlight success stories of the summer program. This led to greater public awareness of the summer youth program and various projects occurring in the local area.